

1 R865. Tax Commission, Auditing.

2 R865-19S. Sales and Use Tax.

3 R865-19S-38. Isolated and Occasional Sales Pursuant to Utah Code Ann. Section
4 59-12-104.

5 A. 1. ~~[Sales]~~ Except as provided in A.2., sales made by officers of a court, pursuant
6 to court orders, are occasional sales~~[-with the exception of].~~

7 2. Notwithstanding A.1., sales made by trustees, receivers, or assignees ~~[and the~~
8 ~~like,]~~ in connection with the liquidation or conduct of a regularly established place of
9 business are not occasional sales.

10 3. Examples of ~~[casual]~~ occasional sales are those made by sheriffs in foreclosing
11 proceedings and sales of confiscated property.

12 B. If a sale is an integral part of a business ~~[whose]~~ the primary function of which is
13 not the sale of tangible personal property, ~~[then such]~~ the sale is not isolated or occasional.
14 For example, the sale of repossessed radios~~[-]~~ or refrigerators~~[-, etc.,]~~ by a finance company
15 is not isolated or occasional.

16 C. 1. ~~[Sales]~~ Except as provided in C.2., sales of vehicles required to be titled or
17 registered under the laws of this state are not isolated or occasional sales~~[-except that any].~~

18 2. Notwithstanding C.1., a transfer of a vehicle ~~[in a business reorganization]~~ where
19 the ownership of the vehicle before and after the transfer ~~[transferee organization]~~ is
20 substantially the same ~~[as the ownership of the transferor organization shall be considered]~~
21 is an isolated or occasional sale.

22 D. 1. Isolated or occasional sales made by persons not regularly engaged in business
23 are not subject to ~~[the]~~ sales and use tax.

24 2. ~~[The word]~~ For purposes of D.1., "business" refers to an enterprise engaged in
25 selling tangible personal property or taxable services notwithstanding the fact that the sales
26 may be few or infrequent.

27 3. ~~[Any]~~ The sale of an entire business to a single buyer is an isolated or occasional
28 sale~~[-and].~~

29 a) Except as provided in D.3.b), no tax applies to the sale of any assets ~~[made]~~ that
30 are part of ~~[such]~~ a sale described in D.3.

31 b) If a sale described in D.3. includes the ~~[(with the exception)]~~ sale of ~~[vehicles]~~ a
32 vehicle subject to registration~~[-]~~, that vehicle is subject to sales and use tax.

33 E. The sale of used fixtures, machinery, and equipment items is not an ~~[exempt]~~
34 occasional sale if the sale is one of a series of sales sufficient in number, amount, and
35 character to indicate that the seller deals in the sale of ~~[such]~~ those items.

36 F. Sales of items at public auctions do not qualify as ~~[exempt]~~ isolated or occasional
37 sales.

38 G. Wholesalers, manufacturers, and processors ~~[who]~~ that primarily sell at other
39 than retail are not making isolated or occasional sales when they sell ~~[such]~~
40 tangible personal property for use or consumption.

41
42 Key: charities, tax exemptions, religious activities, sales tax